
REPORT 1

**LAND FOR DISPOSAL: 65A SEATOUN HEIGHTS ROAD,
SEATOUN**

1. Purpose of report

The purpose of this report is to seek approval from the Transport and Urban Development Committee to recommend to the Council that:

- the land at 65A Seatoun Heights Road, Seatoun (the **Site**), is no longer required for a public work, and
- it authorises Council officers to proceed with offer back investigations and disposal.

2. Executive summary

The Site was acquired for a public work (waterworks) in 1926. In early 2013 the water reservoir was decommissioned, as part of Capacity's ongoing infrastructure rationalisation project.

Council Officers consulted with other relevant Business Units within the Council to determine whether the land is required for another public work. No Business Unit sought to retain the land.

Disposal of land acquired for a public work is dealt with under section 40 of the Public Works Act 1981 (the **Act**).

3. Recommendations

Officers recommend that the Transport & Urban Development Committee:

1. *Receive the information.*
2. *Recommend that the Council, pursuant to the Public Works Act 1981:*
 - (a) *Agree that the Site (being 1012m² of Part Lot 76 DP 1463 [CFR WN365/204]) is not required for a public work and is surplus to requirements.*
 - (b) *Authorises Council officers to commission a section 40 report from a suitably qualified consultant to identify whether the Site must be offered back to a former owner or their successor in title, or whether an exemption from offer back applies under section 40(2), 40(3) or 40(4).*
 - (c) *Approves the disposal of the Site.*

- (d) Delegates to the Chief Executive Officer the power to take all actions necessary to sell the Site in accordance with the provisions of the Public Works Act and complete all actions required to sell the Land.*

4. Background

The Site comprises a 1012m², rectangular, parcel of land with access to Seatoun Heights Road via a 'pan-handle' leg in. The upper portion of the Site is dominated by the large reinforced concrete reservoir structure; the access leg is overgrown with a mixture of exotic and indigenous vegetation. The Site enjoys panoramic views over south Wellington.

The Site was acquired for a public work (waterworks) in 1926, with the operation of the reservoir managed most recently by Capacity. Capacity identified the Site for decommissioning in a 2004 'Reservoir and Pump Station Rationalisation' report. The reservoir had come to the end of its economic life and, due to access constraints, would be difficult to maintain or replace.

The reservoir was eventually mothballed in early 2013, as alternative storage capacity came online. Council Officers undertook consultation with internal Business Units to determine if the Site was required for any other purposes. None has been identified and the Site is now being considered for disposal.

Disposal of land acquired for a public work is dealt with under section 40 of the Public Works Act 1981. If not required for any other public work section 40 requires the Council to offer the Site back to a former owner or their successors. If there is no owner or successor the Council may dispose of the Site on the open market. The Port Nicholson Block Settlement Trust, in partnership with the Council, have requested a first right of refusal on land for disposal, at market valuation.

5. Discussion

Under section 40 of the Act the Council 'shall endeavour' to dispose of any land not required for the public work for which it was taken, and which is not required for any other public work. As the reservoir is decommissioned, and no other Business Unit within the Council has expressed interest in the Site, it is appropriate to declare the Site surplus and dispose.

The section 40 report will determine whom whether an offer back obligation exists. Irrespective of the party (successors, *iwi* or open market), the sale would only proceed at an agreed price based on a market valuation. To follow the disposal process outlined in the Act it is recommended the section 40 and valuation reports be commissioned.

5.1 Consultation and Engagement

Consultation with internal Business Units of the Council has been concluded, as noted above. The Act does not require public notification for declaring surplus, or disposing of, land held for a public work. *Iwi* will be consulted (as per the

partnership agreement with the Council) as will adjacent neighbours of the land.

5.2 Financial considerations

There are no financial considerations related to this recommendation. Any costs associated with the disposal of the Site will be recovered through the proceeds of sale.

5.3 Climate change impacts and considerations

There are no climate change impacts that relate directly to this land disposal.

5.4 Long-term plan considerations

The disposal of individual parcels of land is not dealt with specifically in the Long Term Plan. The disposal of surplus land, however, will assist the Council's financial position by gaining the proceeds of sale while reducing holding and maintenance costs.

5.5 Next Steps

If the recommendations of this report are accepted and a resolution to dispose of the Site is passed, then the next steps would be as below:

1. Investigate and implement any section 40 offer back obligations.
2. Report to the Chief Executive Officer, with a recommendation to either proceed with an offer back, or to agree that an exemption applies.
3. If no offer back exemption is applicable, offer the Site back to the former owner or their successors at current market value.
4. If an offer back exemption is applicable, or the former owner or their successors are not interested in a re-purchase, then consult with Port Nicholson Block Settlement Trust.
5. Obtain a market valuation from a registered valuer and decide on the best marketing methodology.
6. Engage real estate agents.
7. Market property.
8. Sale to new owner.

6. Conclusion

Officers recommend that the Transport and Urban Development Committee recommend to Council that the Council-owned Site at 65A Seatoun Heights Road, Seatoun, is not required for a public work, is surplus to the Council's requirements, and can be sold.

Contact Officer: Brett Smith, Property Advisor, Property Services

SUPPORTING INFORMATION

1) Strategic fit / Strategic outcome

In line with the Council's financial principles, assets that are declared surplus to strategic or operational requirements are sold.

2) LTP/Annual Plan reference and long term financial impact

The disposal of surplus land will assist the Council's financial position by gaining the proceeds of sale while reducing holding and maintenance costs.

3) Treaty of Waitangi considerations

There is no Treaty of Waitangi implication for the proposed easement.

4) Decision-making

This is not a significant decision. The report sets out the prescribed method of disposal of land no longer required for the work for which it was taken. Council Officers recommend the declaring surplus, and disposal of, the land in accordance with this methodology.

5) Consultation

a) General consultation

Relevant Council Business Units have been consulted on the use of the land for a public work and its disposal. The Act does not require public notification.

b) Consultation with Maori

The Port Nicholson Block Settlement Trust will be consulted in accordance with the partnership agreement with the Council.

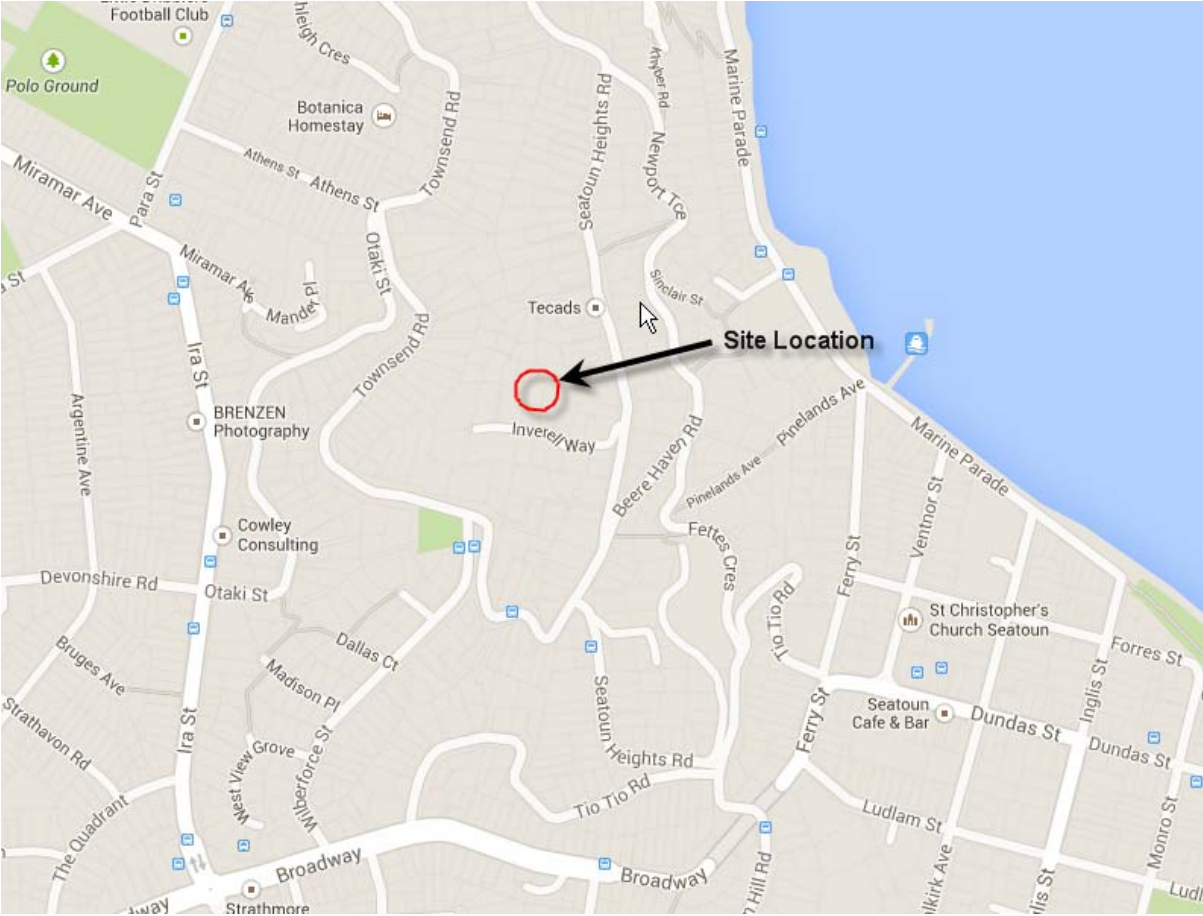
6) Legal implications

Any Sale and Purchase Agreements will be prepared by the Council's Solicitor's.

7) Consistency with existing policy

The proposed disposal of land declared surplus is in accordance with legislation related to land taken for a public work.

SITE LOCATION



TOPOGRAPHY AND SITE PLAN



SITE PHOTOS

Access point to the site (overgrown trees, top centre), looking south.



Reservoir structure, looking east



Beside reservoir structure, looking north.



Beside reservoir structure, looking south-west.

